



**Washington State
Health Care Authority**

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February 8, 2010

TO: Interested Parties

FROM: Susan DeBlasio, RFP Coordinator

SUBJECT: Amendment 1 - RFQQ K161 –Health Consulting Pool

Amendment 1 to the above Subject RFQQ has been issued. This amendment provides the answers to Questions submitted by potential bidders and makes one RFQQ Correction.

RFQQ Correction:

The Maximum Possible Points for the entire proposal is 100. However, the Scored Elements totaled 110. The RFQQ is corrected and amended as follows:

**4.4 PROCESS
C. SCORING**

Evaluators will assign points based upon how well they believe you communicated your experience, knowledge and ability to meet HCAs needs.

SCORED ELEMENT	MAXIMUM POSSIBLE POINTS
Experience	50 points
Resume's	30 20 points
References	10 points
Maximum Hourly Rate.	20 points (*)

**EXHIBIT B – SERVICE AREA PROPOSAL SPECIFICATIONS
Proposal Instructions**

b. Key Staff Resume's which clearly communicate recent experience in the Key Areas (3 page limit each Resume') – ~~30~~ **20** points

The remaining Schedule for this procurement is as follows:

<u>Activity</u>	<u>Due Date/Time</u>
Proposal Due	February 16, 2010 (12 Noon PST)
Projected Announcement of the Apparently Successful Bidder	February 23, 2010
Projected Contract Start Date	March 15, 2010

HCA reserves the right to revise this Schedule.

RFQQ K161 Questions/Answers

	BIDDER QUESTIONS	HCA ANSWERS
1.	<p>Section 1.1. Project Purpose</p> <p><i>Language:</i> “HCA currently has a convenience pool that was awarded in December of 2007. There may be overlap of the service categories between the two convenience pools.”</p> <p><i>Question:</i> Please list the names of the consultants in the convenience pool.</p> <p>1.2 Project Purpose The RFQQ describes an existing “convenience” pool of contractors that was awarded in 12/07. Please provide a list of approved contractors and their service categories.</p>	<p>The only convenience contracts from the 2007 Pool which are still active are:</p> <p>a. Milliman</p> <ul style="list-style-type: none"> • Health Information Technology: Policy, Organization, Governance, and Finance • Health Insurance Partnership: Health Care Market Place Research, Analysis, and/or Policy Development; Section 125 Administration <p>b. Rialto</p> <ul style="list-style-type: none"> • Health Information Technology: Consumer and Provider Engagement and Activation <p>c. PRR</p> <ul style="list-style-type: none"> • Health Insurance Partnership: Marketing and Advertising
2.	<p>Section 1.1. Project Purpose</p> <p><i>Language:</i> “HCA values consultants which:</p> <ul style="list-style-type: none"> • Have prior experience with Washington State government” <p><i>Question:</i> How many scoring points will be assigned to a bidder’s experience with working with Washington State government?</p>	<p>No specific point value has been designated for prior experience with Washington State government.</p>
3.	<p>Exhibit B-Service Area Proposal Specifications – Proposal Instructions</p> <p><i>Question:</i> Is there a 10 page limit for each of the five Key Areas, or is the 10 page limit the total number of pages available to describe our experience for all five Key Areas?</p>	<p>There is a 10 page limit to respond to all of the 5 Key Areas. The response for each Key Area is limited to 2 pages.</p>

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	<p>Work Samples: Does HCA expect one work samples for each key area for a total of 5 or can the work samples reflect work in any combination of the 5 areas?</p> <p>Exhibit B of the RFQQ specifies that bidders describe their experience in each of five (5) "Key Areas". At the bottom of the first page of Exhibit B, the Proposal Instructions specify that there is a ten (10) page limit for describing the bidder's experience, not including Work Samples. Does this limit mean that bidders can provide ten (10) pages for each of the Key Areas, for a maximum total of 50 pages, or that the total pages allowed for all Key Areas combined is ten (10) pages?</p>	
4.	<p>Exhibit B-Service Area Proposal Specifications – Proposal Instructions</p> <p><i>Question:</i> Should the five required Work Samples represent a sample from each of the five Key Areas or can two or more be samples from a single Key Area?</p> <p>The Proposal Instructions at the bottom of the first page of Exhibit B specify that no more than five (5) Work Samples should be included. Does this mean that bidders can submit up to five (5) Work Samples for each of the Key Areas (for a maximum total of 25work examples), or that a total of five (5) Work</p>	<p>You may allocate your work samples however you choose. You are reminded that the Work Samples, Experience and References must relate to each other.</p>

	BIDDER QUESTIONS	HCA ANSWERS
	Samples can be submitted for all of the Key Areas combined?	
5.	<p>Exhibit B-Service Area Proposal Specifications – Proposal Instructions</p> <p><i>Question 5:</i> Does HCA require 2-3 references for each of the five Key Areas (10 to 15 total) or for all five Key Areas (2 to 3 total)?</p> <p>References: HCA requests contact information for 2-3 clients for which we have performed key area work. Do you mean 2-3 clients for EACH key area, or 2-3 total clients?</p> <p>The Proposal Instructions at the top of the second page of Exhibit B specify that bidders submit up to three (3) References for which the bidder has performed Key Area work. Does this mean that bidders can submit up to three (3) References for each of the Key Areas (for a maximum total of 15 References), or that a total of three (3) References can be submitted for work in all of the Key Areas combined?</p> <p>The Proposal Instructions at the top of the second page of Exhibit B specify that no more than two (2) pages may be used to describe references. Does this limit mean that bidders can provide two (2) pages for each of the Key Areas, for a maximum total of ten (10) pages, or that the total pages allowed for References for all Key Areas combined is two (2) pages?</p>	2-3 Total References. The required information for your 2-3 References is limited to 2 pages total.
6.	Do the Proposal Instructions In Exhibit B, Items	See #3, #4, and #5.

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	a. through d. apply to each individual Key Area or to the combined Key Areas? For example, can we provide up to 5 work samples for each key area (Federal Health Programs/Legislation, Strategic Planning, etc.) or are we limited to providing up to 5 work samples total for all Key Areas? Can we also provide different references, resumes, and maximum hourly rates for each Key Area?	
7.	For a sole proprietor, is HCA willing to omit or substantially modify the insurance requirement as stated below, in the event a contract is awarded?	No
8.	If not, is HCA willing to omit the second clause of the requirement, "naming the state of Washington, its agents, and employees as additional insured's [sic] under the insurance policy"?	No
9.	Does any part of the response have to be physically mailed? Is email ok for all parts of the response, including the Transmittal letter and Exhibit A Certifications and Assurances, which are required to be signed. 3.4 Delivery of Proposals The RFQQ does not include any requirement for vendors to submit hard copies of proposals. Please confirm that no hard copies are required.	Your entire proposal is to be submitted by email. No paper copies need to be sent.
10.	Do the resumes have to be 11 point font or larger?	No smaller than 11 point font.
11.	Are there any limits to the size of file that HCA	The HCA email system will only accept up to about 25

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	can accept via email?	megabytes. If your email and attachments is larger than that, you should send attachments with more than one email. Be sure to clearly identify that the submission is coming in multiple parts, e.g.; Part 1 of 3, Part 2 of 3, Part 3 of 3.
12.	How will HCA notify a bidder when it has received an emailed proposal so that receipt can be confirmed?	The designated contact will be sent an email. You may also submit your email with the "return delivery" and/or "return read" receipt activated.
13.	Are greater points awarded to those firms that bid for more experience areas listed under the Key Areas listed in Exhibit B?	As stated in 1.1, HCA values consultants which clearly communicate extensive experience in <i>all of the</i> key areas identified, and as stated in Exhibit B, HCA prefers to award contracts to multi-dimensional companies that have extensive, recent experience in <i>all</i> of the Key Areas. Based upon these statements, evaluators will value higher proposals which communicate quality experience in ALL of the Key Areas over those with limited experience.
14.	Could you clarify the type of consulting assistance you are seeking for the following service categories: Development, evaluation, and assessment of health programs. Can you provide more specifics on what types of "health programs" you are referring to?	I would check in with Beth on this one. Activity examples include, but are not limited to: guidance around employer benefit programs and their effectiveness (e.g.; employer health benefit programs and health benefit programs that apply to low income populations (such as HCA's Basic Health)); assist us in developing a business case for each of the health benefits products HCA sponsors and/or administers and establishing a performance measurement system that tests our level of accomplishment in achieving the defined business case; whether it be from a financial, health status, customer satisfaction, or clinical quality perspective; help us measure meaningful outcomes related to our defined business case rather than process assessment; expert knowledge regarding "players" in the local and national health care market, which ones are similar to us so we can establish an "industry" to benchmark against, what well established performance measures are available (such as HEDIS, CAHPS, eValue8™, etc.), and what innovative promising practices others are doing that we can learn from.
15.	Health Information Privacy and Security - can you clarify the most important areas of	In this area we are looking for expertise in development and implementation of health information exchange privacy and

	BIDDER QUESTIONS	HCA ANSWERS
	expertise you are seeking in a consultant in this area?	security policies, procedures, and health information technology solutions in a variety of health care industry settings that provide robust and practical solutions and support to (including, but not limited to) HIPAA and business associates agreements with respect to the exchange and sharing of health information. We are not looking for legal expertise with respect to interpretation and consultation regarding federal or state laws on these or related subject matters.
16.	Should subcontractors also provide the information listed on item number 4 through 10 under the instructions for the Letter of Submittal?	No
17.	Under the Pricing and Adjustment Section of the sample contract, it states that “should the HCA decide to extend the Contract for additional year(s) rates will be negotiated for adjustments in pricing for any subsequent terms, however, rate increases may not exceed 5.0 percent.” We assume that the 5.0 percent limit is per year and not for the extended term, which could be more than a year. Is this correct?	HCA is just making it clear that, if a contract is under consideration for an extension of any length and a contractor wants to negotiate a rate increase for that extension, HCA will not entertain any requested increase greater than 5% at a time - no matter the length of the extension.
18.	Exhibit B – Service Area Proposal Specifications, Proposal Instructions Does the RFQQ require maximum hourly rates for the initial term of the contract and separate hourly rates for each of the extension years? Or will the proposed rates remain constant for the entire term?	See #17 and #29
19.	Exhibit B-Proposal Instructions a. Work samples In order to preserve our clients confidentiality	As your References are to directly tie to your Work Samples and Experience, it is unclear how you will de-identify a work sample and still comply. However, you can attempt to do so if you feel

	BIDDER QUESTIONS	HCA ANSWERS
	can we de-identify work samples?	you can meet the requirement.
20.	Exhibit B-Key Areas 4. Health Program Assessment Does Medicaid Policy Review constitute a Health Plan Assessment as described in this section?	We are primarily interested in commercial market assessment, however, experience with current federal health programs/legislation (including Medicaid, HIPAA, Balanced Budget Act, Medicare drug benefit, ARRA/HITECH, etc.) is of value.
21.	1.5/1.6-Period of Performance Funding We understand that the POP is from 3/15/2010 to 6/30/2011 and that the State, at its discretion can extend with the basic contract (i.e., the price agreement) or an individual work order until 6/30/2015. Can the State clarify if a work order can be extended beyond 6/30/2011 (e.g., to 6/30/2015) without the State extending the basic price agreement?	No. Work Orders cannot go beyond the term of the contract.
22.	4.4-Process C. Scoring Can the State provide a sample calculation that supports the following text to make sure we understand the formula/approach correctly? “(*) The score for the Maximum Hourly Rate is computed by dividing the lowest hourly rate bid by the hourly rate bid in the Bidder’s Cost Proposal and multiplying that percentage against the total points available for this section, rounded to the nearest tenth of a point.”	Example: Total possible points for Hourly Rates are 20. <ul style="list-style-type: none"> • Vendor A’s Hourly Rate is \$100 • Vendor B’s Hourly Rate is \$150 <ul style="list-style-type: none"> • Vendor A would receive 20 points • Vendor B would receive 13.3 points ($\\$100/\\$150 = 67\% \times 20 \text{ points} = 13.3$) $\frac{\text{Lowest Responsive Hourly Rate Offer}}{\text{This Vendor's Total Cost}} \times \text{Number of Available Points} = \text{Award Points}$
23.	Attachment 1 Sample Contract-Payment We understand from this paragraph that no given work order under this contract can exceed \$1,000,000 and that the Maximum Not-	No. Also, the \$1,000,000 amount stated in the Sample Contract is an artificial example. If awarded a contract, the total of ALL work orders cannot exceed the maximum consideration of the contract.

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	<p>to-Exceed Payment associated with this contract is based on a NTE rate (not amount) Maximum Hourly Rate submitted in Contractor's response to RFQQ K161.</p> <p>Is there an anticipated total amount for all services (across qualified contractors) to be delivered under this price agreement?</p>	
24.	<p>Attachment 1 Sample Contract- Invoices and Billing Procedures</p> <p>Can the State clarify whether there will be NO withhold? If there is a withhold, please clarify when a contractor can bill for that amount (e.g., completion of work order or completion of contract).</p>	Any work which would require a "withhold", will identify that condition in the Work Request. Specific requirements would be negotiated at that time and addressed in the Work Order.
25.	Will the list of firms that submitted Letters of Intent be made public prior to the Feb. 16 th proposal due date? If yes, please provide.	Ann Huston, Bailit Health Purchasing , Burns & Associates Inc., Christiansen IT Law, Community-Minded Enterprises (CME) , Computer Task Group, (CTG), Couloir Consulting , FOX Systems, Gap Consulting Inc., Health Management Associates, HFS Consultants, Inland Northwest Health Services, IntelliBridge Partners, Katsu Partners Inc., Mathematica Policy Research, Mercer, Mount Tabor Online Services, Navigant Consulting Inc., NHII Advisors, Ogden Murphy Wallace P.L.L.C., OTB Solutions Group, Peer Consulting, Point B, Public Consulting Group's (PCG), Public Knowledge LLC , Renaissance Resource Associates, Sierra Systems Inc., The Lewin Group, Treinen Associates Inc., Western Washington Area Health Education Center
26.	<p>2.13B Work Orders</p> <p>RFQQ indicates that: "At its discretion, HCA may use any of these contractors to address specific needs." Will HCA publish prospective</p>	It is the intention of HCA to publish all work orders to all contracted vendors with relevant experience in the applicable Key Area(s).

	BIDDER QUESTIONS	HCA ANSWERS
	Work Orders for all approved vendors to respond to or does HCA have the ability to limit the pool of approved vendors including the option to sole source individual Work Orders?	
27.	2.13B Work Orders Will awarded vendors be allowed to submit proposed scopes of work to HCA for consideration or will all Work Orders originate from ideas/opportunities generated by HCA?	No
28.	4.4 Process Please clarify the Maximum Possible Points available to vendors. The matrix provided in "C. Scoring" totals 110 while "C.1" indicates 100.	Thank you. The Maximum Possible Points for the entire proposal is 100. The Maximum Points for the Resumes' element is corrected to be 20.
29.	Exhibit B – Service Area Proposal Specifications, Proposal Instructions Does HCA require one maximum hourly rate for all staff regardless of position? If not, how will HCA evaluate the rates?	One maximum hourly rate.